

Senate votes to raise minimum wage to \$6.25

By CHARLES S. JOHNSON of the Missoulian State Bureau

HELENA - The Senate voted Monday to raise the state's minimum wage from \$5.15 an hour to \$6.25 over Republican objections that it would actually cost low-income workers jobs because employers couldn't afford the pay increase. The increase would take effect July 1.

Senate Bill 78, by Sen. Dan Harrington, D-Butte, won debate-stage approval by a 30-20 margin, with all 27 Democrats voting for the bill, joined by Republican Sens. John Cobb of Augusta, Sam Kitzenberg of Glasgow and Corey Stapleton of Billings. The bill faces a final Senate vote before heading to the House. Montana's minimum wage has been fixed at \$5.15 an hour since 1997 when the federal minimum wage went up.

SB78 set the new minimum wage at \$6 an hour, but Sen. Mike Wheat, D-Bozeman, successfully amended it to \$6.25 an hour. Wheat said if the Legislature can afford to give its pages - high school aides who run errands for lawmakers - a pay raise to \$6.25 an hour, it should set that as the minimum wage for everybody.

Another amendment, by Sen. Vicki Cocchiarella, D-Missoula, changed the bill to reflect an agreement reached earlier in the day by the Montana AFL-CIO, Hotel Employees and Restaurant Employees Union, Montana Restaurant Association and her. She said it would enhance the bill's chances in the House, split 50-50 between the parties.

Under the deal, when future minimum wage increases pass at the state or federal level, tipped employees such as waiters or waitresses would get half of the increase, with a guarantee they would collect the remaining half in tips. The amendment passed over Harrington's objections. The debate over increasing the minimum wage featured the contrasting economic philosophies of the two parties.

Harrington called it a "moral question," saying someone working full time in Montana for the minimum wage now makes about \$10,700 a year, which is below the federal poverty level. He said Montana has 5,000 workers, or 2.1 percent of its work force, making \$5.15 an hour, while 7,000 workers are paid between \$5.16 and \$5.64 an hour - 2.9 percent of the work force.

"What we are doing here is trying to help the poorest of the poor and give them a standard of living that's slightly better," he said, adding that many of these workers are forced to work more than one job. But Sen. Joe Balyeat, R-Bozeman, said the proposed increase would put Montana's minimum wage among the highest nationally and at a level employers couldn't afford. He cited statistics to show the average Montana worker now makes \$25,040 annually, while the average business makes \$8,369 a year.

Citing supply and demand, Balyeat said, "When government imposes artificial price floors, it increases the supply and reduces the demand (for minimum wage workers). When you artificially push up the price floor, you can no longer afford to pay the price." "The problem with a minimum wage is it sets a base so that no one can fail," argued Sen. Dan McGee, R-Laurel. "Everyone has a right to succeed in America. By definition, everyone has a right to fail."

Sen. Jim Elliott, D-Trout Creek, branded some of the Republican arguments "disingenuous and condescending." The rancher said he's never hired anyone for the minimum wage, because he's never met a person he could hire that cheaply. "Do we value human labor and human life sufficiently to make sure they get a fair shake and a fair wage for a full day's work?" Elliott asked. Afterward, Jacquie Helt, executive officer of the Hotel Employees and Restaurant Employees Local 427, defended the Cocchiarella amendment. She said it should help the bill's chances in the House, adding the union wouldn't have supported the deal if it hadn't helped restaurant employees.